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Minnesota Labor Market Review

January 1989 Supplement

Nation

By Ben Boyle

Jobless Rate Dips Back To 14-Year Low; Payroll Employment Growth Still Strong In December After Huge Gain In November

The seasonally adjusted unemployment rate dropped back to 5.3 percent in December, the lowest since the 5.1 percent in May 1974. December's rate marked the third time this year that the rate has been at 5.3 percent. For all 1988, the rate averaged 5.5 percent, down from an average of 6.2 percent in 1987. Meanwhile, seasonally adjusted nonfarm payroll employment rose by 297,000 in December after a surge of 404,000 in November. Over four-fifths of the December increase in payroll jobs was in the service-producing industries. Factory employment climbed by 34,000 in December, half of November's gain. However, manufacturing has shown considerable strength in recent months.

Most Other Indicators Showed Favorably In December

Except for housing starts which fell slightly in December and retail sales which appeared to rise very little, other barometers indicated that economy was still strong. Industrial production continued to increase at a satisfactory pace while personal income and spending both rose at a relatively healthy rate.

State

Small Rise In Unemployment Rate Is Less Than Normal But Gain In Nonfarm Employment Is Below Earlier Months

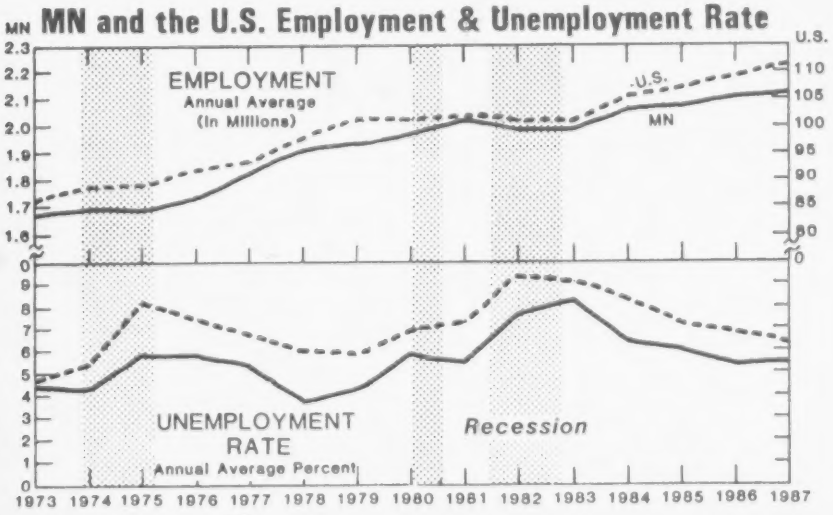
Minnesota's seasonally unadjusted unemployment rate rose only 0.2 of a percentage point to 4.7 percent in December. The rate usually increases about 0.9 of a point between November and December. In December 1987 the rate was 5.9 percent.

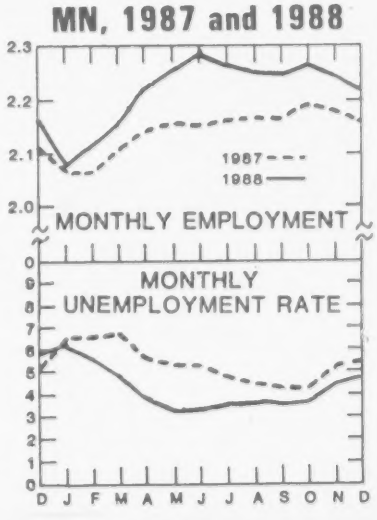
Seasonally adjusted nonfarm payroll employment rose 5,062 in December after gains of 7,744 in November and 10,523 in October. Employment growth in durable goods manufacturing and retail trade slowed significantly in December while employment in contruction and finance, insurance and real estate fell during the same period. On the hand, employment in local education, business services and metal mining rose considerably more than in November. Since December 1987, total nonfarm payroll employment has increased by 60,242. A little more than two-thirds of the over-the-year growth was in trade and the services industry, with each adding about 21,500 jobs. Manufacturing accounted for nearly one-fifth of the total increase from a year ago.

Labor Force Estimates

	MINNESOTA (Numbers in Thousands)			UNITED STATES (Numbers in Millions)		
	December 1988	Change From		December 1988	Change From	
		Last Mo.	Year Ago		Last Mo.	Year Ago
Civilian Labor Force	2,328.7	-24.3	29.0	122.1	-0.5	1.9
Employed	2,218.7	-27.9	53.8	116.0	-0.3	2.3
Unemployed	110.0	3.6	-24.8	6.1	-0.2	-0.4
Unemployment Rate						
Actual	4.7	0.2	-1.2	5.0	-0.2	-0.4
Seasonally Adjusted	n.a.	n.a.	n.a.	5.3	-0.1	-0.5

* Components may not add to Civilian Labor Force due to rounding





Minnesota Nonfarm Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS2/					
						Average Weekly Earnings		Av. Hourly Earnings		Average Weekly Hrs.	
	Dec. 1988	Nov. 1988	Dec. 1987	Nov. 1988	Dec. 1987	Dec. 1988	Dec. 1987	Dec 1988	Dec 1987	Dec 1988	Dec. 1987
Total Nonagricultural	**2059.0**	**2066.5**	**1997.9**	**-0.4**	**3.1**	-	-	-	-	-	-
Manufacturing	**391.0**	**391.6**	**379.2**	**-0.2**	**3.1**	**441.32**	**433.47**	**10.66**	**10.42**	**41.4**	**41.6**
Durable Goods	233.7	234.0	225.7	-0.1	3.6	460.82	455.82	10.92	10.70	42.2	42.6
Lumber and Furniture	22.4	22.9	21.3	-2.1	5.5	445.56	447.23	11.85	11.38	37.6	39.3
Stone, Clay and Glass	8.4	9.1	8.0	-7.5	5.1	449.77	404.09	10.97	10.23	41.0	39.5
Primary Metals	7.3	7.2	6.7	1.1	9.2	415.94	440.80	9.81	9.50	42.4	46.4
Fabricated Metals	33.3	33.4	34.0	-0.3	-2.2	524.36	528.32	12.28	11.98	42.7	44.1
Nonelectrical Machinery	81.8	81.6	79.9	0.2	2.4	501.42	488.57	11.37	11.18	44.1	43.7
Office and Computing	38.3	38.5	38.9	-0.4	-1.5	498.62	524.61	11.65	12.06	42.8	43.5
Electrical Machinery	31.3	30.9	29.3	1.4	6.9	372.67	368.94	8.98	8.62	41.5	42.8
Transportation Equipment	10.8	10.7	10.3	0.9	4.3	536.81	546.84	11.85	12.40	45.3	44.1
Scientific Instruments	31.9	31.7	30.6	0.5	4.4	432.43	421.67	10.37	10.21	41.7	41.3
Misc. Manufacturing	6.5	6.5	5.6	1.1	16.2	438.35	417.90	9.94	9.95	44.1	42.0
Nondurable Goods	157.2	157.6	153.6	-0.3	2.4	417.33	404.01	10.33	10.05	40.4	40.2
Food and Kindred	44.7	45.2	44.8	-1.1	-0.3	397.61	369.15	9.29	8.96	42.8	41.2
Textiles and Apparel	4.9	4.9	4.8	0.0	3.2	281.39	272.25	7.29	7.26	38.6	37.5
Paper and Allied	32.9	32.9	32.3	-0.2	1.7	503.78	513.85	12.11	11.95	41.6	43.0
Printing and Publishing	47.8	47.7	45.7	0.3	4.6	409.16	390.66	10.94	10.53	37.4	37.1
Chemicals and Petroleum	10.8	10.9	10.7	-1.1	1.0	469.56	484.45	12.04	11.73	39.0	41.3
Rubber, Plastic & Leather	16.1	16.0	15.3	0.9	5.6	373.63	355.06	9.18	8.66	40.7	41.0
Nonmanufacturing	**1668.0**	**1674.8**	**1618.7**	**-0.4**	**3.0**	-	-	-	-	-	-
Mining	6.8	7.2	6.1	-5.4	11.1	579.86	571.12	13.33	12.98	43.5	44.0
Metal Mining	5.3	5.3	4.7	1.1	13.0	599.71	619.22	13.85	13.73	43.3	45.1
Construction	73.5	82.8	78.6	-11.2	-6.4	599.78	603.99	16.08	15.77	37.3	38.3
Transp., Comm., Pub. Util.	104.3	104.4	102.6	0.0	1.7	-	-	-	-	-	-
Transportation	69.7	69.5	68.2	0.2	2.1	-	-	-	-	-	-
Trucking & Warehousing	26.9	26.6	27.2	0.9	-1.2	395.59	425.60	12.72	12.23	31.1	34.8
Comm. & Public Util.	34.6	34.8	34.4	-0.5	0.7	572.97	570.57	14.96	14.63	38.3	39.0
Trade	523.1	518.2	502.2	1.0	4.2	230.10	230.18	7.80	7.75	29.5	29.7
Wholesale	126.6	126.4	122.2	0.2	3.6	413.32	417.10	10.68	10.75	38.7	38.8
Retail	396.5	391.8	380.0	1.2	4.3	178.08	177.23	6.62	6.54	26.9	27.1
Building Materials	17.8	17.9	17.3	-0.8	2.5	323.27	337.06	8.69	8.87	37.2	38.0
General Merchandise	63.7	62.0	60.4	2.7	5.4	169.65	155.32	6.50	6.02	26.1	25.8
Food Stores	53.6	52.7	51.0	1.7	5.1	184.65	197.22	6.89	7.12	26.8	27.7
Automotive	41.7	41.6	40.1	0.3	4.1	297.39	307.82	8.62	8.72	34.5	35.3
Apparel	21.3	20.6	21.0	3.4	1.2	123.48	127.15	5.21	5.32	23.7	23.9
Home Furnishings	18.6	18.3	17.1	1.8	8.8	248.00	252.20	7.75	7.76	32.0	32.5
Eating and Drinking	127.6	127.9	122.0	-0.3	4.6	113.00	105.28	5.00	4.70	22.6	22.4
Fin., Insur., Real Estate	123.1	123.1	121.5	0.0	1.3	-	-	-	-	-	-
Finance	56.6	56.4	56.4	0.4	0.3	-	-	-	-	-	-
Insurance	45.6	45.7	44.9	-0.3	1.6	-	-	-	-	-	-
Real Estate	20.9	20.9	20.2	-0.2	3.5	-	-	-	-	-	-
Services	505.6	504.7	485.2	0.2	4.2						
Personal Services	26.9	26.7	25.5	0.7	5.2						
Business Services	103.6	103.3	95.0	0.3	9.1						
Repair Services	21.7	21.6	20.1	0.8	7.9						
Health Services	154.9	154.9	151.3	0.0	2.4						
Hospitals	53.2	53.0	51.8	0.2	2.5						
Nursing Homes	41.1	41.3	41.5	-0.5	-0.9						
Legal Services	15.1	15.0	14.5	0.5	4.0						
Private Education	27.8	27.9	27.2	-0.4	2.4						
Government	331.5	334.5	322.5	-0.9	2.8						
Federal	34.2	34.0	33.5	0.7	2.1						
State	81.9	83.9	79.7	-2.4	2.8						
Education	44.8	46.8	43.9	-4.3	1.9						
Local	215.3	216.6	209.2	-0.6	2.9						
Education	118.9	119.4	114.5	-0.4	3.8						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Analysis of Local Conditions

Minneapolis–St. Paul MSA

By Kevin Alaspa

Twin Cities Unemployment Rate Drops In December

The unemployment rate in the metropolitan area declined by one-tenth of a percent in December, from 3.9 to 3.8 percent. Normally, the rate rises 0.3 to 0.5 percent between November and December. While both the labor force and employment declined slightly due to seasonal factors, the decline was less than usual. This is the first time in the 1980's the December unemployment rate dropped.

Employment In Most Industries Changes Little

Total wage and salary employment decreased slightly, by 1,600 jobs. Manufacturing employment was virtually unchanged. Retail trade gained 4,000 jobs as stores added employees for the holiday shopping season. Construction employment was down by 4,000, normal for December. Employment in health services dropped by about 500; state and local education declined by a modest 1,200 workers.

In 1988, total wage and salary employment in the metro area grew by 34,350 or 2.7 percent. Manufacturing employment increased by 7,100 jobs, while nonmanufacturing grew by 27,200 positions. Almost four out of five new jobs added in the metro area were in nonmanufacturing industries, with retail trade and services responsible for significant gains.

While unemployment may rise slightly during the winter, total employment shouldn't drop much. The inherent strength of the Twin Cities economy will keep employment levels strong through the next few months.

Exceptionally low unemployment is a reflection of the tightening labor market in the Twin Cities. Shortages of workers have become commonplace in many industries and occupations, particularly retail trade and service jobs. Also, skilled occupations are experiencing a dearth of qualified applicants This situation is likely to persist as the number of new entrants to the labor force declines due to the low birthrates fifteen to twenty years ago. Even entry and low paying occupations are getting harder to fill, and will remain so into the next decade.

AREA	EMPLOYMENT Dec 1988	EMPLOYMENT Nov 1988	EMPLOYMENT Dec 1987	UNEMPLOYMENT Dec 1988	UNEMPLOYMENT Nov 1988	UNEMPLOYMENT Dec 1987	UNEMPLOYMENT RATE Dec 1988	UNEMPLOYMENT RATE Nov 1988	UNEMPLOYMENT RATE Dec 1987
Mpls-St.Paul MSA	1,332,693	1,344,084	1,314,235	52,119	55,251	63,024	3.8	3.9	4.6
REGION 11	1,250,912	1,261,688	1,234,412	46,604	51,298	56,071	3.6	3.9	4.3
Anoka	125,339	126,418	123,685	5,543	5,925	6,370	4.2	4.5	4.9
Carver	22,988	23,186	22,685	1,040	929	1,077	4.3	3.9	4.5
Dakota	131,825	132,961	130,086	5,812	5,817	6,407	4.2	4.2	4.7
Hennepin	601,832	607,017	593,894	20,076	23,665	24,462	3.2	3.8	4.0
Ramsey	272,005	274,348	268,417	9,524	10,734	12,258	3.4	3.8	4.4
Scott	27,044	27,277	26,687	1,718	1,528	2,022	6.0	5.3	7.0
Washington	69,879	70,481	68,958	2,891	2,700	3,475	4.0	3.7	4.8
Chisago	13,704	13,822	13,523	1,079	812	1,398	7.3	5.5	9.4
Isanti	11,818	11,920	11,662	795	629	981	6.3	5.0	7.8
Wright	31,287	31,558	30,876	2,401	1,587	2,831	7.1	4.8	8.4
St. Croix Wi	24,972	25,096	23,762	1,240	925	1,743	4.7	3.6	6.8
Bloomington	56,723	57,212	55,975	1,843	2,199	2,200	3.1	3.7	3.8
Minneapolis	209,838	211,646	207,070	7,866	9,485	9,394	3.6	4.3	4.3
St. Paul	144,403	145,647	142,498	5,824	6,710	7,752	3.9	4.4	5.2

Mpls.–St. Paul Nonfarm Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS2/					
						Average Weekly Earnings		Av. Hourly Earnings		Average Weekly Hrs.	
	Dec. 1988	Nov. 1988	Dec. 1987	Nov. 1988	Dec. 1987	Dec. 1988	Dec. 1987	Dec. 1988	Dec. 1987	Dec. 1988	Dec. 1987
Total Nonagricultural	1334.5	1336.1	1310.0	-0.1	1.9	-	-	-	-	-	-
Manufacturing	261.6	261.6	257.1	0.0	1.7	470.08	460.24	11.3[illegible]	11.09	41.6	41.5
Durable Goods	164.1	163.7	160.7	0.2	2.1	483.94	476.53	11.36	11.16	42.6	42.7
Lumber and Furniture	9.1	9.4	9.1	-3.7	0.0	477.98	467.15	12.48	12.04	38.3	38.8
Stone, Clay and Glass	3.6	3.7	3.2	-2.6	14.3	497.75	411.20	12.29	10.41	40.5	39.5
Primary Metals	5.2	5.1	4.8	0.5	6.5	409.81	432.80	9.62	9.15	42.6	47.3
Fabricated Metals	25.7	25.7	26.3	-0.2	-2.5	540.56	550.95	12.84	12.55	42.1	43.9
Nonelectrical Machinery	64.4	64.0	62.9	0.6	2.3	512.88	505.29	11.63	11.51	44.1	43.9
Office and Computing	31.1	31.1	31.8	0.1	-2.0	466.91	498.19	11.17	11.64	41.8	42.8
Electrical Machinery	17.0	16.9	16.9	0.5	0.7	372.19	355.77	9.10	8.85	40.9	40.2
Transportation Equipment	6.0	5.9	5.7	1.2	4.7	745.84	741.51	14.74	15.71	50.6	47.2
Scientific Instruments	29.7	29.5	28.3	0.9	4.9	441.84	429.27	10.52	10.47	42.0	41.0
Misc. Manufacturing	3.5	3.5	3.5	0.8	0.4	483.23	417.30	11.16	9.75	43.3	42.8
Nondurable Goods	97.5	97.9	96.3	-0.4	1.2	451.04	435.51	11.22	10.97	40.2	39.7
Food and Kindred	18.0	18.2	18.1	-1.0	-0.5	527.35	473.41	11.59	11.38	45.5	41.6
Textiles and Apparel	2.1	2.2	2.0	-4.5	6.1	253.45	239.55	7.18	6.71	35.3	35.7
Paper and Allied	24.9	25.0	25.0	-0.6	-0.4	467.53	482.14	11.63	11.59	40.2	41.6
Printing and Publishing	32.4	32.3	31.7	0.3	2.5	413.11	390.77	10.90	10.59	37.9	36.9
Chemicals and Petroleum	9.1	9.3	9.0	-2.1	1.3	525.54	498.81	13.51	12.79	38.9	39.0
Rubber, Plastic & Leather	10.9	10.8	10.6	1.1	3.0	400.60	417.78	10.04	9.83	39.9	42.5
Nonmanufacturing	1072.9	1074.4	1053.0	-0.1	1.9	-	-	-	-	-	-
Mining	0.5	0.6	0.5	-16.8	-2.9	388.09	208.78	12.09	8.03	32.1	26.0
Construction	52.8	56.8	52.2	-7.1	1.2	634.28	638.45	17.33	16.98	36.6	37.6
Transp., Comm., Pub. Util.	72.5	72.3	72.0	0.4	0.7	-	-	-	-	-	-
Transportation	49.5	49.3	49.3	0.4	0.5	-	-	-	-	-	-
Trucking & Warehousing	16.1	15.8	16.9	1.6	-4.8	413.[illegible]0	406.22	13.00	13.02	31.8	31.2
Comm. & Public Util.	23.0	23.0	22.7	0.4	1.4	565.35	554.33	14.70	14.25	38.5	38.9
Trade	333.9	329.8	328.0	1.3	1.8	256.58	254.75	8.61	8.38	29.8	30.4
Wholesale	86.7	86.5	85.7	0.2	1.2	450.04	448.27	11.51	11.32	39.1	39.6
Retail	247.2	243.2	242.3	1.6	2.0	197.91	195.68	7.33	7.09	27.0	27.6
Building Materials	10.8	10.9	10.5	-0.6	3.2	386.40	346.90	10.50	9.69	36.8	35.8
General Merchandise	43.5	42.3	43.2	2.7	0.5	178.58	163.94	6.79	6.21	26.3	26.4
Food Stores	29.4	28.6	28.1	2.6	4.4	223.81	240.74	8.32	8.33	26.9	28.9
Automotive	23.9	23.9	23.5	0.1	1.6	362.23	384.54	9.79	9.86	37.0	39.0
Apparel	13.9	13.5	13.9	2.7	0.1	115.63	125.10	5.28	5.56	21.9	22.5
Home Furnishings	12.4	12.0	12.0	2.8	3.5	254.72	235.42	7.96	7.45	32.0	31.6
Eating and Drinking	80.0	79.7	78.3	0.3	2.1	128.36	119.70	5.63	5.25	22.8	22.8
Fin., Insur., Real Estate	96.5	96.6	95.0	-0.1	1.7	-	-	-	-	-	-
Finance	41.6	41.5	41.0	0.1	1.4	-	-	-	-	-	-
Insurance	38.3	38.4	37.6	-0.3	1.9	-	-	-	-	-	-
Real Estate	16.7	16.7	16.4	-0.1	1.7	-	-	-	-	-	-
Services	336.6	337.1	329.1	-0.2	2.3						
Personal Services	18.5	18.5	17.9	0.4	3.8						
Business Services	83.4	83.5	81.4	-0.2	2.4						
Repair Services	15.4	15.4	15.0	-0.1	2.9						
Health Services	86.3	86.3	86.1	0.0	0.3						
Hospitals	30.8	30.6	31.1	0.7	-0.9						
Nursing Homes	21.8	21.9	22.5	-0.4	-3.1						
Legal Services	11.9	11.9	11.5	0.1	4.1						
Private Education	16.1	16.2	16.5	-0.3	-2.4						
Government	180.0	181.2	176.2	-0.7	2.2						
Federal	20.9	20.8	20.5	0.4	1.8						
State	54.9	55.4	53.9	-0.9	1.8						
Education	30.2	31.0	30.0	-2.5	0.9						
Local	104.3	105.0	101.8	-0.7	2.4						
Education	57.3	57.7	55.2	-0.6	3.9						

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2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Central and Northwest Minnesota

By Ron Daws

AREA	EMPLOYMENT Dec 1988	EMPLOYMENT Nov 1988	EMPLOYMENT Dec 1987	UNEMPLOYMENT Dec 1988	UNEMPLOYMENT Nov 1988	UNEMPLOYMENT Dec 1987	UNEMPLOYMENT RATE Dec 1988	UNEMPLOYMENT RATE Nov 1988	UNEMPLOYMENT RATE Dec 1987
St. Cloud MSA	92,028	92,818	86,405	7,019	4,917	7,268	7.1	5.0	7.8
REGION 1	39,115	40,587	38,248	3,678	2,754	4,614	5.0	6.4	10.8
Kittson	2,250	2,329	2,332	228	163	323	9.2	6.5	12.2
Marshall	4,262	4,465	4,075	729	513	896	14.5	10.3	18.0
Norman	3,260	3,517	3,202	275	225	364	7.7	6.0	10.8
Pennington	6,094	6,401	5,899	540	316	676	8.1	4.7	10.3
Polk	13,504	14,024	13,454	1,068	606	1,304	7.3	6.4	9.2
Red Lake	1,303	1,359	1,372	295	189	336	18.5	12.2	19.7
Roseau	8,342	8,492	7,844	745	382	655	8.2	4.3	7.7
REGION 2	28,863	29,249	27,100	2,429	1,995	3,161	7.8	6.4	10.4
Beltrami	15,460	15,624	14,733	940	880	1,250	5.7	5.3	7.8
Clearwater	3,074	3,079	2,936	583	394	727	15.9	11.3	19.2
Hubbard	6,323	6,531	5,640	615	463	765	8.9	6.6	11.9
Lake of Woods	1,830	1,714	1,626	79	87	149	4.1	4.8	8.4
Mahnomen	2,176	2,301	2,163	212	172	273	8.9	7.0	11.2
REGION 4	91,744	93,788	89,816	5,933	4,976	7,478	6.1	5.0	7.3
Becker	12,143	12,412	13,179	1,321	911	1,435	9.8	6.8	9.9
Clay	25,071	25,466	24,563	1,040	852	1,497	4.0	3.2	5.7
Douglas	14,052	14,150	13,590	789	761	1,067	5.2	5.1	7.1
Grant	2,697	2,814	2,614	205	165	244	7.1	5.6	8.5
Otter Tail	23,489	24,067	21,985	1,827	1,548	2,183	7.2	6.0	9.0
Pope	4,295	4,487	4,011	294	281	396	6.4	5.9	9.0
Stevens	4,930	5,102	4,668	204	236	295	4.0	4.4	5.9
Traverse	1,863	2,036	1,855	107	82	154	5.2	3.9	7.3
Wilkin	3,114	3,254	3,001	166	142	212	5.1	4.2	6.6
REGION 5	54,806	55,870	50,971	4,718	4,310	6,034	7.9	7.2	10.6
Cass	7,226	7,429	6,876	893	814	1,140	11.0	9.9	14.2
Crow Wing	20,120	20,202	18,528	1,450	1,441	1,830	6.7	6.7	9.0
Morrison	13,071	13,411	11,714	1,244	1,055	1,469	8.7	7.3	11.3
Todd	9,728	10,072	9,324	799	699	1,154	7.6	6.5	11.0
Wadena	4,661	4,756	4,479	332	301	421	6.6	6.0	8.6
REGION 6E	53,007	53,949	49,443	4,004	2,845	3,785	7.0	5.0	7.1
Kandiyohi	18,799	19,124	17,692	1,620	872	1,346	8.3	4.4	7.1
McLeod	17,829	17,930	15,500	800	820	704	4.3	4.4	4.8
Meeker	8,183	8,430	7,362	771	627	830	8.6	6.9	10.1
Renville	8,196	8,485	8,869	613	526	825	7.0	5.8	8.5
REGION 7E	48,682	49,611	47,379	4,159	3,403	5,240	7.9	6.4	10.0
Chisago	13,704	13,822	13,523	1,079	812	1,398	7.3	5.5	9.4
Isanti	11,818	11,920	11,662	795	629	981	6.3	5.0	7.8
Kanabec	5,162	5,358	5,168	579	511	727	10.1	8.7	12.3
Mille Lacs	9,035	9,231	8,243	718	623	842	7.4	6.3	9.3
Pine	8,963	9,280	8,783	988	828	1,292	9.9	8.2	12.8
REGION 7W	123,315	124,376	119,281	9,420	6,504	10,119	7.1	5.0	7.9
Benton	14,451	14,575	13,893	1,189	866	1,307	7.6	5.6	8.6
Sherburne	17,347	17,496	16,664	1,776	1,370	1,634	9.3	7.3	8.9
Stearns	60,230	60,747	57,858	4,055	2,681	4,347	6.3	4.2	7.0
Wright	31,287	31,558	30,876	2,401	1,587	2,831	7.1	4.8	8.4

ST. CLOUD MSA NONFARM WAGE & SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT Dec. 1988	EMPLOYMENT Nov. 1988	EMPLOYMENT Dec. 1987	PERCENT CHANGE FROM MONTH AGO	PERCENT CHANGE FROM YEAR AGO
Total Nonagricultural Wage & Salary	74,643	74,456	72,427	0.3	3.1
Total Manufacturing	12,654	12,579	12,240	0.6	3.2
Durable Goods	7,118	7,124	6,878	-0.1	3.5
Nondurable Goods	5,536	5,455	5,362	1.5	2.9
Total Nonmanufacturing	61,989	61,877	60,187	0.2	3.0
Construction & Mining	3,590	3,990	4,200	-10.0	-14.5
Transp., Comm., & Pub. Utilities	3,732	3,757	3,396	-0.7	9.9
Trade	23,640	23,208	22,203	1.9	6.5
Wholesale Trade	3,738	3,699	3,448	1.0	8.4
Retail Trade	19,904	19,509	18,755	2.0	6.1
Finance, Insur., & Real Estate	2,464	2,429	2,382	1.4	3.4
Services	15,205	15,255	14,578	-0.3	4.3
Health Services	5,151	5,101	5,073	1.0	1.5
Other Services	10,054	10,154	9,505	-1.0	5.8
Government	13,358	13,238	13,408	0.9	-0.4

Central And Northwest Minnesota Finish Out 1988 On A Strong Economic Note

Now that all of the 1988 unemployment and employment data is in, it looks as though it was an economically robust year. Jobs increased and unemployment declined all across Central and Northwest Minnesota. In the St. Cloud MSA, for example, the annual average unemployment rate dropped from 6.1 percent in 1987 to 4.9 percent in 1988. On average, employment increased by about 5,200 from 1987 to 1988, a 6.1 percent increase.

In January 1988, there were 4,455 more jobs in the MSA than there were during January 1987. The increase over comparable months the year before declined steadily until by December the difference had been whittled to 3,623, still a strong increase. Whether this gap will shrink further in 1989 will bear watching in the months to come.

Between November and December the labor force changed normally: employment dropped slightly (from 92,818 to 92,028), and unemployment rose (from 4,917 or 5.0% to 7,019 or 7.1%). Although total employment in the MSA dropped slightly over the month, nonfarm payroll jobs increased. They rose from 74,456 to 74,643 owing mainly to the two percent increase in retail trade jobs. Given that this is an industry approaching 20,000 workers, this amounted to about 400 jobs. That increase, plus small ones in nondurable goods production, government, finance, insurance and real estate, helped overcome a 10 percent drop in construction and mining jobs, and a one percent cut in nonmedical services jobs.

Compared with last December, nonfarm payroll employment in the St. Cloud MSA was up 3.1 percent with every major industry contributing except construction, mining and government. Strong over-the-year gains were posted in transportation, communication and public utilities, retail and wholesale trade, and nonmedical services.

Northeast Minnesota

By Ron Daws

Duluth's Unemployment Drops Four Out Of The Last Five Years While Employment Continues To Rise

Unemployment has been dropping all across Northeast Minnesota while employment has been creeping upward. In 1983 Duluth's unemployment rate was 13.6 percent. The rate dropped to 10.3 in 1884, to 7.2 in 1985, to 6.0 in 1986, climbed to 7.1 in 1987, and dropped again to 5.7 in 1988 to reach the lowest annual average rate of the 1980s (as far back as Duluth's labor force records go).

In an unusual move, Duluth's December unemployment rate even fell slightly from November's, from 5.1 to 5.0 percent. Given the nature of the estimating methodology (considerable random sampling error plus other estimating difficulties), the unemployment rate actually could have risen or dropped slightly over the month. It seems encouraging, nevertheless, that the rate has remained between 5.0 and 5.5 percent since April.

Duluth's labor force data also suggests that total employment rose by about three percent, on average, between 1987 and 1988. With 35,792 jobs in 1988, Duluth reached its highest employment level since 1981 when it totaled 38,875. (The 1981-82 recession cost Duluth at least 10,000 jobs).

Between November and December, total employment (which is counted by place of residence) dropped from 36,364 to 35,525 (down 1.3%). Nonfarm payroll employment (counted by place of work and therefore much higher owing to in-commuting) dropped from 44,997 in November to 44,582 in December (down 0.9%). Over the month, construction dropped seasonally by 16.8 percent, and except for the 3.2 percent decline in wholesale employment, there were few significant employment shifts.

Between December 1987 and December 1988, manufacturing dropped 7.2 percent and construction fell 15.4 percent. The fastest job gaining industries over the year in Duluth were health services (up 5.3%), government (up 4.5%), and services, mining and miscellaneous (up 3.2%).

AREA	EMPLOYMENT Dec 1988	EMPLOYMENT Nov 1988	EMPLOYMENT Dec 1987	UNEMPLOYMENT Dec 1988	UNEMPLOYMENT Nov 1988	UNEMPLOYMENT Dec 1987	UNEMPLOYMENT RATE Dec 1988	UNEMPLOYMENT RATE Nov 1988	UNEMPLOYMENT RATE Dec 1987
REGION 3	128,154	130,661	124,403	9,055	9,013	13,597	6.6	6.5	9.9
Aitkin	4,685	4,805	4,674	592	444	736	11.2	8.5	13.1
Carlton	11,531	11,684	11,127	848	803	1,248	6.9	6.4	10.1
Cook	2,334	2,288	2,215	183	188	258	7.3	7.6	10.4
Itasca	16,290	16,420	15,360	1,306	1,320	1,887	7.4	7.4	10.9
Koochicing	7,271	7,393	6,731	498	536	665	6.4	6.8	9.0
Lake	3,740	3,824	2,946	366	380	647	8.9	9.0	18.0
St. Louis	82,303	84,247	81,150	5,262	5,342	8,156	6.0	6.0	9.1
City of Duluth	35,525	36,364	35,027	1,856	1,939	2,647	5.0	5.1	7.0
Balance St. Louis	46,778	47,883	46,123	3,406	3,403	5,509	6.8	6.6	10.7

DULUTH AND DULUTH-SUPERIOR MSA NONFARM WAGE & SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT DULUTH Dec., 1988	EMPLOYMENT DULUTH Nov., 1988	EMPLOYMENT DULUTH Dec., 1987	PERCENT CHANGE DULUTH MO. AGO	PERCENT CHANGE DULUTH YR. AGO	EMPLOYMENT DULUTH-SUPERIOR Dec., 1988	EMPLOYMENT DULUTH-SUPERIOR Nov., 1988	EMPLOYMENT DULUTH-SUPERIOR Dec., 1987	PERCENT CHANGE DULUTH-SUPERIOR MO. AGO	PERCENT CHANGE DULUTH-SUPERIOR YR. AGO
Total Nonfarm Wage & Salary	44,583	44,997	44,255	-0.9	0.7	90,661	91,826	89,367	-1.3	1.4
Total Manufacturing	3,782	3,800	4,077	-0.5	-7.2	7,672	7,793	7,712	-1.6	-0.5
Durable Goods	1,463	1,453	1,631	0.7	-10.3	4,032	4,126	4,057	-2.3	-0.6
Nondurable Goods	2,319	2,347	2,446	-1.2	-5.2	3,640	3,667	3,655	-0.7	-0.4
Total Nonmanufacturing	40,801	41,197	40,178	-1.0	1.6	82,989	84,035	81,655	-1.2	1.6
Construction	1,450	1,788	1,714	-18.9	-15.4	3,058	3,854	3,695	-20.7	-17.2
Transp., Com., Pub. Util.	2,781	2,839	2,852	-2.0	-2.5	5,946	6,126	5,739	-2.9	3.6
Total Trade	11,525	11,491	11,374	0.3	1.3	22,268	22,229	22,257	0.2	0.0
Wholesale Trade	1,639	1,694	1,658	-3.2	1.1	3,514	3,573	3,457	-1.7	1.6
Retail Trade	9,886	9,797	9,716	0.9	1.7	18,754	18,655	18,800	0.5	-0.2
Finan., Insur., Real Est.	1,825	1,831	1,863	-0.3	-2.0	3,224	3,210	3,189	0.4	1.1
Services, Mining, & Misc.	12,432	12,409	12,052	0.2	3.2	25,977	25,995	24,539	-0.1	5.8
Health Services	5,673	5,664	5,385	0.2	5.3	9,181	9,163	8,640	0.2	6.3
Other Services	5,821	5,830	5,784	-0.2	0.6	10,342	10,368	10,068	-0.4	2.7
Government	10,788	10,841	10,323	-0.5	4.5	22,516	22,622	22,216	-0.5	1.4

Southern Minnesota

By Sue Borgfelt

AREA	EMPLOYMENT Dec 1988	EMPLOYMENT Nov 1988	EMPLOYMENT Dec 1987	UNEMPLOYMENT Dec 1988	UNEMPLOYMENT Nov 1988	UNEMPLOYMENT Dec 1987	UNEMPLOYMENT RATE Dec 1988	UNEMPLOYMENT RATE Nov 1988	UNEMPLOYMENT RATE Dec 1987
REGION 6W	73,013	73,065	72,155	1,705	1,404	2,012	6.9	5.6	8.3
Big Stone	2,697	2,790	2,603	169	157	229	5.9	5.3	8.1
Chippewa	6,419	6,505	6,304	561	474	616	8.0	6.8	8.9
Lac Qui Parle	3,973	4,075	3,810	201	178	224	4.8	4.2	5.6
Swift	4,653	4,794	4,373	426	289	450	8.4	5.7	9.3
Yellow Medicine	5,271	5,465	5,065	348	306	493	6.2	5.3	8.9
REGION 8	58,359	59,769	54,830	3,540	3,241	3,967	5.7	5.1	6.7
Cottonwood	5,944	6,043	5,761	365	361	413	5.8	5.6	6.7
Jackson	5,031	5,156	4,642	322	336	482	6.0	6.1	9.4
Lincoln	3,032	3,121	2,955	236	192	230	7.2	5.8	7.2
Lyon	12,093	12,387	11,174	911	717	903	7.0	5.5	7.5
Murray	4,361	4,621	4,158	346	281	432	7.4	5.7	9.4
Nobles	10,660	10,732	9,692	494	530	558	4.4	4.7	5.4
Pipestone	5,417	5,493	4,985	329	304	227	5.7	5.2	4.4
Redwood	7,415	7,708	7,066	380	322	507	4.9	4.0	6.7
Rock	4,406	4,508	4,393	157	198	215	3.4	4.2	4.7
REGION 9	104,512	106,369	101,099	5,180	5,162	6,843	4.7	4.6	6.3
Blue Earth	29,241	29,592	26,729	1,019	980	1,347	3.5	3.3	4.8
Brown	12,979	13,184	12,697	634	692	890	4.7	5.0	6.5
Faribault	7,436	7,627	7,389	493	442	510	6.2	5.5	6.5
Le Sueur	9,860	10,086	9,390	898	783	1,106	8.3	7.2	10.5
Martin	10,415	10,848	11,225	647	570	1,008	5.8	5.0	8.2
Nicollet	14,478	14,658	13,703	467	542	667	3.1	3.6	4.6
Sibley	6,163	6,334	5,769	452	417	550	6.8	6.2	8.7
Waseca	8,936	9,042	8,753	334	407	507	3.6	4.3	5.5
Watonwan	6,002	6,002	5,244	236	329	258	3.8	5.2	4.7
REGION 10	214,185	216,987	199,769	9,415	9,509	11,923	4.2	4.2	5.5
Dodge	7,795	7,901	7,001	495	410	642	6.0	4.9	8.4
Fillmore	9,202	9,534	9,246	521	467	701	5.4	4.7	7.0
Freeborn	17,024	17,124	16,117	780	786	908	4.4	4.4	5.3
Goodhue	19,675	19,847	19,485	809	872	1,211	3.9	4.2	5.9
Houston	8,811	9,016	8,035	361	335	532	3.9	3.6	6.2
Mower	16,199	16,506	14,120	746	699	953	4.4	4.1	5.6
Olmsted	58,254	58,627	56,426	2,159	2,225	2,455	3.6	3.7	4.2
Rice	27,048	27,440	25,161	1,416	1,566	1,595	5.0	5.4	6.0
Steele	15,404	15,621	15,223	562	737	1,013	3.5	4.5	6.2
Wabasha	8,096	8,300	7,820	451	404	661	5.3	4.6	7.8
Winona	26,675	27,071	25,133	1,113	1,008	1,252	4.0	3.6	4.7
Rochester City	36,022	36,253	34,892	1,402	1,634	1,626	3.7	4.3	4.5

Olmsted County's Annual Average Unemployment Rate Resumes Downward Slide

The annual average unemployment rate for Olmsted County (Rochester MSA) dropped to 2.9 percent for 1988, the lowest on our records which date back to 1980. Following a pattern similar to some other parts of Minnesota, the only year in the last five the rate rose from the previous year was 1987. From 1980 to 1988 the annual average unemployment rates were: 4.3, 4.1, 5.6, 5.8, 4.7, 4.4, 3.9, 4.0, and 2.9 percent.

Across all regions of Southern Minnesota, the labor force increased and unemployment dropped from December 1987.

Over the month, the number of people in the labor force and the number employed declined in all regions. This is common in December. Unemployment rose overall, except fewer were jobless in Region 10. Olmsted County's unemployment rate dropped between November and December for the second year in a row.

Nonfarm payroll employment rose 0.1 percent over the month in the Rochester MSA, primarily because of 195 additional jobs in retail trade during the holidays. Government added 87 jobs (a 1.4% increase), and transportation, communication, and public utilities workers increased by 1.2 percent. Construction employment dropped 12.8 percent (262 positions), which is normal in December, and there were 97 fewer workers in nondurable goods production.

Over the year, all industries added jobs. Finance, insurance, and real estate gained them fastest, jumping by 10.9 percent. This meant 166 new jobs, not as many as generated by some industries because of its relatively small size. Health services added the most workers (948), a 5.6 percent over-the-year increase. Durable goods manufacturing grew by 7.6 percent and added 679 new jobs. Based on preliminary estimates, annual average total nonfarm payroll employment for 1988 grew 3.5 percent from 1987.

ROCHESTER MSA NONAGRICULTURAL WAGE & SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT December 1988	EMPLOYMENT November 1988	EMPLOYMENT December 1987	PERCENT CHANGE FROM Month Ago	PERCENT CHANGE FROM Year Ago
Total Nonagricultural Wage & Salary	60,418	60,386	57,912	0.1	4.3
Total Manufacturing	11,494	11,581	10,753	-0.8	6.8
Durable Goods	9,668	9,668	8,989	0.0	7.6
Nondurable Goods	1,826	1,913	1,764	-5.1	2.9
Total Nonmanufacturing	48,924	48,805	47,159	0.3	3.8
Construction & Mining	1,777	2,039	1,776	-12.8	0.1
Transp., Comm., & Public Util.	1,736	1,716	1,717	1.2	1.1
Total Trade	12,230	12,025	11,763	1.7	4.0
Wholesale Trade	1,295	1,285	1,252	0.8	3.4
Retail Trade	10,935	10,740	10,511	1.8	4.0
Finan., Insur., & Real Estate	1,683	1,668	1,517	0.9	10.9
Total Services	25,147	25,083	24,126	0.3	4.2
Health Services	17,892	17,885	16,944	0.0	5.6
Other Services	7,255	7,198	7,182	0.8	1.0
Government	6,361	6,274	6,260	1.4	1.6

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Selected Minnesota Program Statistics

Distribution of Insured Unemployed by Industry and Occupation, December 1988

Industry Attachment	Number	Percent of Total	Percent */ Long-Term Unemployed	Women as Percent of Total
TOTAL, ALL INDUSTRIES	41,242	100.0	10.8	22.6
Ag., For., Fish.	1,653	4.0	2.1	10.4
Mining	688	1.7	1.0	4.0
Construction	14,699	35.6	2.2	2.8
Manufacturing	8,799	21.3	13.2	30.2
Public Utilities	1,716	4.2	14.3	16.1
Wholesale Trade	2,404	5.8	22.2	27.6
Retail Trade	3,085	7.5	20.0	41.1
Fin., Ins., Re. Est.	1,216	3.0	25.2	53.7
Services	4,972	12.1	21.3	52.4
Public Admin.	919	2.2	7.8	38.8
Info. Not Available	1,091	2.6	11.6	28.7
Occupational Attachment				
TOTAL, ALL OCCUPATIONS	41,242	100.0	10.8	22.6
Prof., Tech., Mgr.	5,399	13.1	28.2	38.2
Clerical	3,194	7.7	24.2	80.9
Sales	1,264	3.1	25.4	32.5
Services	2,029	4.9	16.2	57.4
Farm, For., Fish.	1,451	3.5	1.5	14.4
Processing	1,282	3.1	11.5	39.5
Machine Trades	1,932	4.7	15.1	12.6
Benchwork	2,658	6.4	9.7	49.0
Structural Work	15,200	36.9	2.4	2.0
Misc., and INA	6,833	16.6	6.7	8.4

Distribution of Insured Unemployed, by Age and Sex, December 1988

Age Groups	Number	Percent Distribution: Men of Totals	Men of Men	Women of Women
TOTALS	41,242	77.3	100.0	100.0
Under 45	30,948	78.1	75.8	72.5
Under25	5,118	80.3	12.9	10.8
25-34	15,726	78.7	38.8	35.7
35-44	10,104	76.0	24.1	26.0
45 and over	10,294	75.0	24.2	27.5
45-54	6,202	74.7	14.5	16.8
55 and over	4,092	75.5	9.7	10.7

Experienced Supply/Job Openings Demand **/

Occupational Attachment	Applicants (Supply) Dec. 1988	Job Openings (Demand) Dec. 1988	Supply/Demand Ratio: Dec. 1988	Dec. 1987
TOTAL, ALL OCCUPATIONS	62,921	19,270	3.3	3.0
Prof., Tech., Mgr.	11,380	2,060	5.5	7.5
Clerical	11,013	3,448	3.2	3.8
Sales	3,746	2,329	1.6	1.7
Services	6,890	6,321	1.1	1.4
Farm, For., Fish.	1,401	105	13.3	7.8
Processing	1,241	1,031	1.2	1.4
Machine Trades	4,120	731	5.6	6.4
Benchwork	4,322	1,091	4.0	0.8
Structural Work	9,431	723	13.0	13.0
Misc., and INA	9,377	1,431	6.6	5.3

*/ Long-term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.
**/ Inexperienced and improperly coded job applicants are not included in this table.